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C O N F I D E N T I A L SECTION 01 OF 02 RANGOON 001031

SIPDIS

STATE FOR EAP/BCLTV
COMMERCE FOR ITA JEAN KELLY
TREASURY FOR OASIA JEFF NEAL
USPACOM FOR FPA

E.O. 12958: DECL: 08/28/2013

TAGS: [PGOV](#) [BM](#)

SUBJECT: BURMA: CABINET'S SECOND STRING SHUFFLE

REF: RANGOON 1029

Classified By: COM Carmen Martinez for Reasons 1.5 (B,D)

1. (C) SUMMARY: On August 26, for the second day in a row, the SPDC announced additional cabinet changes, retiring eight Deputy Ministers, assigning nine new ones, and appointing two new cabinet level positions. This latest cabinet adjustment includes a new Deputy Defense Minister and the addition of a second Deputy Foreign Minister. In this current round of assignments in one of the world's largest government cabinets, Senior General Than Shwe continues the regime's patronage-based tradition of rewarding his supporters with wealth-generating positions and by retiring those who are no longer useful or may have questionable allegiances. END SUMMARY.

2. (U) Round two of the new assignments and retirements as listed in the local media follows. Biographic information added in brackets:

NEW APPOINTMENTS

Maj Gen Lun Maung, Auditor General. (Formerly the Military Auditor General)

Brig Gen Aung Thein Lin, Mayor of Rangoon. (Formerly Deputy Minister for Industry II, also a USDA Central Executive Committee (CEC) member)

Maj Gen Aung Hliang, Dep Min of Defense

Brig Gen Phone Swe, Dep Min of Home Affairs

U Kyaw Thu, Dep Min of Foreign Affairs (Formerly the Burmese Ambassador to India, a retired Brig Gen)

Brig Gen Kyaw Myint, Dep Min for Social Welfare, Relief and Resettlement. (Formerly Dep Min for Transport)

Col Nyan Tun Aung, Dep Min of Transport

Col Hla Thein Swe, Dep Min of Finance and Revenue

Brig Gen Than Htay, Dep Min of Energy

Col Tin Ngwe, Dep Min of Progress of Border Areas and National Races and Development Affairs

RETIRING

Brig Gen Tin Aye, Auditor General

U Than Oo, Deputy Chief Justice

U Hset Maung, SPDC Chairman's Office (A deputy minister-level post)

U Thin Tun, Dep Min of Energy

Brig Gen Than Tun, Dep Min of Finance and Revenue

U Soe Nyunt, Dep Min of Culture

U Kyaw Tin, Dep Min of Progress of Border Areas and National Races and Development Affairs

U Hlian Win, Dep Min of Social Welfare, Relief and Resettlement

3. (C) Burma will now have two Deputy Foreign Ministers. The current one, Deputy Foreign Minister U Khin Maung Win, will reportedly remain in his job and will still be the deputy leader of delegation to UNGA. There is widespread speculation that Khin Maung Win could take over as Foreign Minister as the current FM, Win Aung, has been very open about his desire to retire to a Buddhist monastery. The new additional Deputy Foreign Minister, U Kyaw Thu, may possibly be assigned responsibility for regional issues and building the regime's diplomatic defenses in preparation for this Fall's ASEAN meeting.

COMMENT: HOW DO YOU SPELL P-A-T-R-O-N-A-G-E?

4. (C) In this current round of assignments in one of the world's largest government cabinets, Senior General Than Shwe continues the regime's patronage-based tradition of rewarding his supporters with wealth-generating positions and by

retiring those who are no longer useful or may have questionable allegiances. The new Ministers and Deputy Ministers in the resources and business-related ministries can now begin to personally benefit from the institutionalized graft that make these positions so worth while. For example, the new Mayor of Rangoon is in the best position for earning money, evidenced by former Rangoon Mayor and Than Shwe's golfing buddy U Ko Lay, who was allegedly able to earn over one million USD a year through kickbacks. Even the new Vice Mayor is in a lucrative position as he has authority to sign some contracts for the city. End comment. Martinez